

AMENDED IN SENATE JUNE 26, 2003

AMENDED IN ASSEMBLY JUNE 3, 2003

AMENDED IN ASSEMBLY APRIL 10, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 655

**Introduced by Assembly Member Liu
(Coauthor: Assembly Member Jackson)**

February 19, 2003

An act to add Sections 66901.5, 69510.5, and 94770.5 to, and to add Chapter 11.1 (commencing with Section 66910) to Part 40 of, the Education Code, relating to postsecondary education.

LEGISLATIVE COUNSEL'S DIGEST

AB 655, as amended, Liu. Postsecondary education: *California Postsecondary Education Policy and Finance Commission*: California Postsecondary Education Commission: Student Aid Commission: Bureau for Private Postsecondary and Vocational Education.

Existing law, known as the Donahoe Higher Education Act, sets forth, among other things, the missions and functions of California's public and independent segments of higher education, and their respective institutions of higher education. Among other things, the act establishes the 17-member California Postsecondary Education Commission (CPEC) for, among other purposes, the collection of data pertinent to the planning and coordination of the higher education system of the state.

Existing law establishes the Student Aid Commission as the primary state agency for the administration of state-authorized student financial

aid programs available to students attending all segments of postsecondary education. Under existing law, the commission, among other things, administers the Cal Grant Program, the Student Opportunity and Access Program, the Assumption Program of Loans for Education, the Graduate Assumption Program of Loans for Education, the Public Interest Attorney Loan Repayment Program, and the California State Work-Study Program. The Student Aid Commission also oversees the state's participation in the Federal Family Education Loan Program.

Existing law, known as the Private Postsecondary and Vocational Education Reform Act of 1989, generally sets minimum standards of instructional quality, ethical and business practices, health and safety, and fiscal responsibility for private postsecondary and vocational educational institutions, as defined. The act establishes the Bureau for Private Postsecondary and Vocational Education, which, among other things, is required to review and investigate all institutions, programs, and courses of instruction approved under the act. By its own terms, the act is repealed as of January 1, 2005.

This bill would ~~express the intent of the Legislature to~~ consolidate the program responsibilities of the Student Aid Commission, the Bureau for Private Postsecondary and Vocational Education, and CPEC into a single state entity, *known as the California Postsecondary Education Policy and Finance Commission, and would provide for the appointment of its members and of an executive director. The bill would require the California Postsecondary Education Policy and Finance Commission to succeed to the powers, duties, functions, and obligations of CPEC and the Student Aid Commission on July 1, 2005, and to succeed to the powers, duties, functions, and obligations of the bureau on January 1, 2006.*

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. *Section 66901.5 is added to the Education*
- 2 *Code, to read:*
- 3 *66901.5. Notwithstanding any other provision of law, on July*
- 4 *1, 2005, the California Postsecondary Education Policy and*
- 5 *Finance Commission established by Chapter 11.1 (commencing*
- 6 *with Section 66910) shall succeed to all of the powers, duties,*

1 *functions, and obligations of the California Postsecondary*
2 *Education Commission.*

3 *SEC. 2. Chapter 11.1 (commencing with Section 66910) is*
4 *added to Part 40 of the Education Code, to read:*

5
6 *CHAPTER 11.1. CALIFORNIA POSTSECONDARY EDUCATION POLICY*
7 *AND FINANCE COMMISSION*
8

9 *66910. It is the intent of the Legislature to consolidate the*
10 *program responsibilities of the Student Aid Commission, the*
11 *Bureau for Private Postsecondary and Vocational Education, and*
12 *the California Postsecondary Education Commission into a single*
13 *state entity the California Postsecondary Education Policy and*
14 *Finance Commission and, in so doing, accomplish all of the*
15 *following:*

16 (a) *Consolidate within a single state agency key responsibilities*
17 *for higher education planning and analysis, program*
18 *administration, and information system management.*

19 (b) *Maintain at the state level essential capacity to coordinate*
20 *all sectors of postsecondary education, both public and nonpublic,*
21 *given the size, scope, and complexity of California postsecondary*
22 *education.*

23 (c) *Serve as the primary entity for independent and objective*
24 *higher education policy planning and analysis.*

25 (d) *Facilitate the coordination and utilization of the capacity*
26 *of private postsecondary sector, combined with other sectors of*
27 *higher education, to achieve a more effective use of privately and*
28 *publicly funded education in promoting economic growth in*
29 *California.*

30 (e) *Integrate student fee and financial aid policies with*
31 *institutional funding and finance policies.*

32 (f) *Maintain a statewide postsecondary accountability*
33 *structure that periodically provides an assessment of the progress*
34 *made by the state's system of postsecondary education in meeting*
35 *the needs of Californians.*

36 (g) *Establish and maintain a comprehensive postsecondary*
37 *education information system, integrating data from all sectors of*
38 *postsecondary education, including financial aid, and providing*
39 *accurate current and historical data about higher education.*

1 66910.5. (a) *The California Postsecondary Education*
2 *Policy and Finance Commission is the statewide policy and*
3 *planning agency for higher education. The commission is an*
4 *advisor to the Governor, the Legislature, and the segments of*
5 *higher education. The commission shall serve as a principal fiscal*
6 *and program advisor to the Governor and the Legislature on*
7 *postsecondary educational policy.*

8 (b) *The commission's responsibilities include, but are not*
9 *necessarily limited to, all of the following:*

10 (1) *Providing long-range planning for meeting the*
11 *postsecondary education needs of Californians, including*
12 *planning for the adequate provision of facilities, programs and*
13 *campuses, and assessing and advising state policymakers*
14 *regarding priorities dictated by current and evolving public needs.*

15 (2) *Providing policy and fiscal analyses regarding the most*
16 *critical issues facing California higher education, including those*
17 *affecting the success of Californians in attending and completing*
18 *their postsecondary education.*

19 (3) *Advising on the long-range planning proposals of the*
20 *various public and private postsecondary education entities,*
21 *including making recommendations for the efficient and*
22 *coordinated use of state resources among California's public and*
23 *private postsecondary institutions.*

24 (4) *Annually advising, and issuing recommendations to, the*
25 *Governor and the Legislature regarding the financing and*
26 *resource needs of California postsecondary education.*

27 (5) *Maintaining a statewide postsecondary education*
28 *accountability framework that identifies state public policy goals*
29 *and provides a means for assessing progress toward meeting those*
30 *goals across all segments of postsecondary education.*

31 (6) *Reporting periodically to the Governor and Legislature on*
32 *the results of the postsecondary education accountability system,*
33 *including both of the following:*

34 (A) *Reporting on the state's progress in achieving*
35 *postsecondary education policy goals and priorities and the policy*
36 *implications of this progress, or lack thereof.*

37 (B) *Making recommendations on needed adjustments to state*
38 *policy goals, priorities, and indicators, as warranted.*

1 (7) Advising the Governor and the Legislature regarding the
2 need for, and the location of, new institutions and campuses of
3 public higher education.

4 (8) Reviewing proposals by the public segments for new
5 programs, the priorities that guide them, and the degree of
6 coordination with nearby public, independent, and private
7 postsecondary educational institutions, and making
8 recommendations regarding those proposals to the Governor and
9 the Legislature.

10 (9) Serving as the state-level repository for postsecondary
11 education data, and the lead agency for coordinating with the data
12 systems for elementary and secondary education.

13 (10) Administering designated state-authorized student
14 financial aid programs available to students attending all
15 segments of California postsecondary education in a manner that
16 encourages maximum access to these programs by students.

17 (11) Approving and regulating private postsecondary
18 educational institutions and developing state policies to enhance
19 the role of private postsecondary and vocational education in
20 training the California workforce.

21 (c) The commission shall consult with the segments of
22 postsecondary education and with relevant state agencies,
23 including the Superintendent of Public Instruction, and other
24 relevant parties, in its preparation of analyses and
25 recommendations for the Governor and the Legislature. However,
26 the commission shall remain an independent and nonpartisan
27 body responsible for providing an integrated and unbiased view
28 for purposes of state policy formulation and evaluation.

29 (d) (1) The commission shall administer state-authorized
30 student financial aid programs pursuant to Chapter 2
31 (commencing with Section 69500) of Part 42.

32 (2) Whenever, by the provisions of any act of Congress, a
33 program of scholarships or grants or other aid for undergraduate
34 students is established that permits administration of the program
35 within this state if the Governor and the commission, by a majority
36 vote of its entire membership, determine that the participation by
37 the state in the federal program under the act would not interfere
38 with, or jeopardize, the continuation of the Cal Grant Program
39 established by Chapter 1.7 (commencing with Section 69430) of
40 Part 42, the commission may administer that program.

1 (3) *The commission shall constitute the state commission on*
2 *federal scholarships or grants, and may formulate a plan for the*
3 *development and administration of any federal scholarship or*
4 *grant program operating within the state. Subject to Chapter 2*
5 *(commencing with Section 69500) of Part 42, the commission is*
6 *hereby vested with all necessary power and authority to cooperate*
7 *with the government of the United States, or any agency or*
8 *agencies thereof, in the administration of any act of Congress*
9 *establishing a scholarship or grant program and the rules and*
10 *regulations adopted thereunder. Before adopting a state plan, the*
11 *commission, acting as the state commission on federal*
12 *scholarships and grants, shall hold public hearings as provided in*
13 *the rulemaking provisions of the Administrative Procedure Act as*
14 *set forth in Chapter 3.5 (commencing with Section 11340) of Part*
15 *1 of Division 3 of Title 2 of the Government Code.*

16 66911. (a) *The commission may establish an auxiliary*
17 *organization for the purpose of providing operational and*
18 *administrative services for the commission's participation in the*
19 *Federal Family Education Loan Program.*

20 (b) *The auxiliary organization shall be established as a*
21 *nonprofit public benefit corporation subject to the Nonprofit*
22 *Public Benefit Corporation Law in Part 2 (commencing with*
23 *Section 5110) of Division 2 of Title 1 of the Corporations Code,*
24 *except that, if there is a conflict between this article and the*
25 *Nonprofit Public Benefit Corporation Law, this article shall*
26 *prevail.*

27 (c) *The commission shall maintain its responsibility for*
28 *financial aid program administration, policy leadership program*
29 *evaluation, and information development and coordination. The*
30 *auxiliary organization shall provide operational and support*
31 *services essential to the administration of the Federal Family*
32 *Education Loan Program, if those services are determined by the*
33 *commission to be consistent with the overall mission of the*
34 *commission. The implementation and effectuation of the auxiliary*
35 *organization shall be carried out so as to enhance the*
36 *administration and delivery of commission programs and services.*

37 (d) *The operations of the auxiliary organization shall be*
38 *conducted in conformity with an operating agreement approved*
39 *annually by the commission. The commission may approve an*
40 *operating agreement for a period not to exceed five years. Prior*



1 to approval, the commission shall provide the proposed operating
2 agreement to the Department of Finance for its review and
3 comment. The operations of the auxiliary organization shall be
4 limited to services prescribed in that agreement.

5 (e) The commission shall oversee the development and
6 operations of the auxiliary organization in a manner that ensures
7 broad public input and consultation with representatives of the
8 financial aid community, colleges and universities, and state
9 agencies.

10 (f) The auxiliary organization established pursuant to this
11 section shall be governed by a board of directors nominated and
12 appointed by the commission. One member of the board of
13 directors shall be an employee of the auxiliary organization, and
14 one member of the board of directors shall be a student enrolled
15 in a California public or private postsecondary educational
16 institution. The commission shall determine the composition of the
17 remainder of the board of directors, including both the size and
18 categories of membership of the board.

19 (g) The board of directors shall, during each fiscal year, hold
20 at least one business meeting each quarter. The board of directors
21 shall have the benefit of the advice and counsel of at least one
22 attorney admitted to practice law in this state and at least one
23 licensed certified public accountant. Neither the attorney nor the
24 certified public accountant need be members of the board.

25 (h) No member of the board of directors shall be financially
26 interested in any contract or other transaction entered into by the
27 board of which he or she is a member.

28 (i) It is the intent of the Legislature to continue the existing
29 relationship between the California Student Aid Commission and
30 the auxiliary organization, as it exists on January 1, 2005, into the
31 establishment of the California Postsecondary Education Policy
32 and Finance Commission.

33 66911.5. The California Postsecondary Education and
34 Finance Commission shall succeed to the powers, duties,
35 functions, and obligations of the California Postsecondary
36 Education Commission and the California Student Aid
37 Commission on July 1, 2005.

38 66912. (a) The California Postsecondary Education Policy
39 and Finance Commission is hereby established. The commission

1 shall have 17 members, who shall be appointed in accordance with
2 all of the following:

3 (1) Nine members of the general public, appointed as follows:
4 three by the Governor, three by the Senate Rules Committee and
5 three by the Speaker of the Assembly. It is the intent of the
6 Legislature that the commission be broadly and equitably
7 representative of the general public and the various regions of the
8 state, independent of existing higher educational institutions, and
9 knowledgeable about key issues in education and the economic
10 development of California.

11 (2) One representative of the Regents of the University of
12 California designated by the regents, one representative of the
13 Trustees of the California State University designated by the
14 trustees, and one representative of the Board of Governors of the
15 California Community Colleges designated by the board.
16 Representatives of the regents, the trustees, and the board of
17 governors shall be chosen from among the appointed members of
18 their respective boards, but in no instance shall an ex officio
19 member of a governing board serve on the commission.

20 (3) One representative of the independent California colleges
21 and universities that are formed and operated as nonprofit
22 corporations in this state and are accredited by a regional
23 association that is recognized by the United States Department of
24 Education. This member shall be appointed by the Governor from
25 list or lists submitted by an association or associations of those
26 institutions.

27 (4) One representative of the private postsecondary and
28 vocational institutions that are formed and operated as profit
29 corporations in this state and are accredited by a national
30 association that is recognized by the United States Department of
31 Education. This member shall be appointed by the Governor from
32 list or lists submitted by an association or associations of those
33 institutions.

34 (5) The President of the State Board of Education or his or her
35 designee selected from among the other members of the board.

36 (6) Two student representatives, each of whom shall be enrolled
37 at a California postsecondary education institution at the time of
38 appointment and during the term of service, except that a student
39 member who graduates from an institution with no more than six
40 months of his or her term remaining shall be permitted to serve for



1 *the remainder of the term. The Governor shall appoint the student*
2 *members from persons nominated by the appropriate student*
3 *organizations of each of the postsecondary education segments.*
4 *For each student member of the commission, the appropriate*
5 *student organization may submit a list of nominees. The list shall*
6 *specify not less than three and not more than five nominees. For*
7 *the independent California colleges and universities that are*
8 *formed and operated as nonprofit corporations in this state, this*
9 *member shall be appointed by the Governor from a list or lists*
10 *submitted by an association or associations of those institutions.*
11 *The student member appointed to the commission shall not be*
12 *enrolled in the same segment as the outgoing student member or*
13 *in the same segment as the other sitting member.*

14 *(7) No person who is employed by any institution of public or*
15 *private postsecondary education shall be appointed to or serve on*
16 *the commission, except that a person who is not a permanent,*
17 *full-time employee who has part-time teaching duties that do not*
18 *exceed six hours per week may be appointed to and serve on the*
19 *commission.*

20 *(8) The commission members designated in paragraphs (1),*
21 *(3), (4), and (5) shall each serve a six-year term. The commission*
22 *members designated in paragraph (2) shall serve at the pleasure*
23 *of their respective appointing authorities. The members*
24 *designated in paragraph (6) shall each serve a two-year term.*
25 *However, in order to stagger the terms of the public appointees, of*
26 *the nine commission members designated in paragraph (1), three*
27 *shall initially be appointed to terms of two years, three to terms of*
28 *four years, and three to terms of six years. If a vacancy occurs prior*
29 *to the expiration of a term, the appointing authority may appoint*
30 *a member for the remainder of the term. An individual whose term*
31 *has expired may continue to serve on the commission until their*
32 *replacement has been appointed.*

33 *(b) Any person appointed pursuant to this section may be*
34 *reappointed to serve additional terms. All terms subsequent to the*
35 *initial appointments, which become effective July 1, 2005, shall*
36 *begin on January 1 of the year in which the respective terms are*
37 *to commence.*

38 *(c) No person appointed pursuant to this section shall, with*
39 *respect to any matter before the commission, vote for or on behalf*

1 of, or in any way exercise the vote of, any other member of the
2 commission.

3 (d) The commission shall meet as often as it determines to be
4 necessary to carry out its duties and responsibilities.

5 (e) Any member of the commission who, in any calendar year
6 misses more than one-third of the meetings of the full commission
7 forfeits his or her office, thereby creating a vacancy.

8 (f) The commission shall select a chair from among the
9 members representing the general public. The chair shall hold
10 office for a term of two years, and may be selected to two successive
11 terms.

12 66912.5. It is the intent of the Legislature that, on January 1,
13 2006, the commission shall succeed to the powers, duties,
14 functions, and obligations of the Bureau for Private
15 Postsecondary and Vocational Education, as those powers, duties,
16 functions, and obligations existed on January 1, 2005.

17 66913. (a) The commission shall have an executive director,
18 appointed by, and serving at the pleasure of, the commission. The
19 executive director of the commission shall be exempt from civil
20 service pursuant to subdivision (e) of Section 4 of Article VII of the
21 California Constitution. The commission may delegate to the
22 executive director any power, duty, function, or jurisdiction that
23 the commission may lawfully delegate, including the authority to
24 enter into and sign contracts on behalf of the commission. The
25 executive director may delegate any of these powers, duties,
26 purposes, functions or jurisdictions to his or her designee, unless
27 by statute, rule, or regulation the executive director is expressly
28 required to act personally.

29 (b) (1) The commission shall annually review and establish the
30 salary of its executive director according to a methodology
31 established by the commission. This methodology shall take into
32 consideration the salary of directors of comparable boards in
33 states with postsecondary education systems comparable to
34 California's in size, complexity, and level of state expenditures.
35 The comparison states shall include seven major industrial states,
36 including Illinois, New Jersey, New York, Ohio, and Texas. The
37 commission shall notify the chairperson of the Joint Legislative
38 Budget Committee of this annual salary amount. Notwithstanding
39 Section 19825 of the Government Code, the salary shall become
40 effective no sooner than 30 days after written notice of the salary

1 *is provide to the chairperson of the committee, or no sooner than*
 2 *a lesser interval determined by the chairperson, or his or her*
 3 *designee.*

4 *(2) The commission shall annually conduct an evaluation of the*
 5 *performance of the executive director, and this evaluation shall*
 6 *place the highest priority on the effectiveness of the commission in*
 7 *implementing its policy and planning responsibilities.*

8 *(c) The commission may appoint any subcommittee or advisory*
 9 *committees that it deems necessary to advise the commission. The*
 10 *advisory committees may consist of commission members or*
 11 *nonmembers, who may include, but are not necessarily limited to,*
 12 *students, faculty members, segmental representatives,*
 13 *governmental representatives, and representatives of the public.*

14 *(d) Each member of the commission shall receive full*
 15 *reimbursement for his or her actual and necessary traveling*
 16 *expenses incurred in the course of his or her duties.*

17 *66913.5. (a) The operations of the commission shall be*
 18 *conducted through the following units:*

19 *(1) Policy and Planning.*

20 *(2) Licensure and Quality Review of Private Postsecondary*
 21 *Institutions, commencing on January 1, 2006.*

22 *(3) Student Financial Aid and Auxiliary Organizations.*

23 *(4) Information Systems.*

24 *(b) Notwithstanding any other provision of law, each of the*
 25 *units listed in subdivision (a) shall be administered by a deputy*
 26 *director appointed through a career executive assignment, as*
 27 *defined in Section 18547 of the Government Code, made by the*
 28 *commission upon recommendation by the Executive Director.*

29 *(c) The units listed in paragraphs (1), (2), and (3) of*
 30 *subdivision (a) shall operate independently. Aside from the*
 31 *executive director of the commission, to whom all of the deputy*
 32 *directors shall report, no person may be employed by, or perform*
 33 *tasks for, more than one of these units simultaneously. It is the*
 34 *intent of the Legislature that, in the annual Budget Act,*
 35 *appropriations for the four units shall be set forth in discrete*
 36 *schedules. However, the Information Systems Unit shall be a*
 37 *service entity that provides data services for all of the other units.*

38 *(d) (1) Commencing on December 1, 2005, and on or before*
 39 *December 1 of each year thereafter, the executive director shall*
 40 *submit, to the Legislative Analyst and to the chairpersons of the*

1 *appropriate policy and fiscal committees of the respective houses*
2 *of the Legislature, a written report on the progress in meeting the*
3 *goals of the commission and the extent to which the units*
4 *established by this section are operating effectively and*
5 *independently.*

6 (2) *On or before March 1, 2007, and periodically thereafter, the*
7 *Legislative Analyst shall submit its written report to the*
8 *chairpersons of the appropriate policy and fiscal committees of the*
9 *respective houses of the Legislature on the effectiveness of the*
10 *commission's policy leadership and the extent to which the units*
11 *established by this section are operating successfully and*
12 *independently, along with any recommendations to improve the*
13 *commission's ability to carry out its responsibilities.*

14 66914. (a) *There is established a Policy Advisory Committee*
15 *to the Commission, the Executive Director, and the Deputy*
16 *Director for Policy and Planning. This advisory committee shall*
17 *consist of each of the following:*

18 (1) *The President of the University of California, or his or her*
19 *designee.*

20 (2) *The Chancellor of the California State University, or his or*
21 *her designee.*

22 (3) *The Chancellor of the California Community Colleges, or*
23 *his or her designee.*

24 (4) *The Superintendent of Public Instruction, or his or her*
25 *designee.*

26 (5) *An executive officer from one of the independent California*
27 *colleges and universities that are formed and operated as*
28 *nonprofit corporations in this state and are accredited by a*
29 *regional association that is recognized by the United States*
30 *Department of Education, appointed by an association of those*
31 *institutions.*

32 (6) *An executive officer from one of the accredited private*
33 *postsecondary institutions, appointed by an association of those*
34 *institutions.*

35 (b) *Commission meeting agenda items and associated*
36 *documents shall be provided to the advisory committee in a timely*
37 *manner for its consideration and comments.*

38 (c) *The responsibilities of the Policy Advisory Committee to the*
39 *Commission, the Executive Director, and the Deputy Director for*



1 *Policy and Planning include, but are not necessarily limited to, all*
2 *of the following:*

3 *(1) Identifying issues and problems that involve all of the*
4 *segments of higher education and elementary and secondary*
5 *education, and working to develop a common approach to*
6 *addressing major issues.*

7 *(2) Responding proactively to policy initiatives taken by the*
8 *commission, both by encouraging the segments to be active*
9 *participants in the conversation and by expressing the concerns of*
10 *the segments to the commission.*

11 *(3) Providing support and assistance for commission projects*
12 *and studies.*

13 *69614.3. (a) There is established an Advisory and Review*
14 *Committee to the Financial Aid and Auxiliary Organization Unit*
15 *of the Commission, consisting of all of the following:*

16 *(1) Two representatives who are knowledgeable about*
17 *financial aid policy from each of the public segments. For each*
18 *segment, one representative shall be from the systemwide office or*
19 *association and one representative shall be from a campus.*

20 *(2) Two representatives of the independent California colleges*
21 *and universities appointed by an association of those institutions.*
22 *One representative shall be from the systemwide office or*
23 *association, and one representative shall be from a campus.*

24 *(3) Two representatives of private institutions eligible to enroll*
25 *students receiving state funded financial aid.*

26 *(4) Two student representatives.*

27 *(b) The Deputy Director for Financial Aid and Auxiliary*
28 *Organizations shall be required to convene this body at least once*
29 *every two months. This committee has the authority to advise the*
30 *deputy director on administrative matters related to*
31 *implementation of financial aid programs. In addition, this*
32 *committee, working through the policy advisory committee*
33 *established under Section 66914, has the authority to make*
34 *recommendations to the commission on the financial aid policy*
35 *matters under its purview.*

36 *(c) Commission meeting agenda items and associated*
37 *documents related to financial aid and auxiliary organization*
38 *policies shall be provided to this committee in a timely manner for*
39 *its consideration and comments.*

1 69614.5. *The chair of the commission shall designate three*
2 *commissioners to serve as members of the Advisory and Review*
3 *Committee for the Financial Aid and Auxiliary Organizations*
4 *Unit. These commissioners shall serve as a review and appeals*
5 *body to hear and act on institutional requests to appeal staff*
6 *decisions regarding rules and regulations.*

7 69614.7. (a) *The executive director shall appoint an*
8 *Advisory and Review Committee for the Licensure and Quality*
9 *Review of Private Postsecondary Institutions Unit. The committee*
10 *shall consist of representatives of institutions, student advocates,*
11 *and employers who hire graduates of these institutions. The*
12 *advisory committee shall be balanced to ensure that institutions,*
13 *student advocates, and employers have approximately equal*
14 *representation. Institutional representatives on the committee*
15 *shall be in general proportion to the types of institutions approved*
16 *or registered pursuant to this chapter and to the number of students*
17 *served by each type of institution. The advisory committee shall*
18 *advise the commission concerning the commission's*
19 *administration, licensing, and enforcement functions under this*
20 *chapter.*

21 (b) *The chair of the commission shall designate three*
22 *commissioners to serve as members of the Advisory and Review*
23 *Committee for the Licensure and Quality Review of Private*
24 *Postsecondary Institutions Unit. These commissioners shall serve*
25 *as a review and appeals body to hear and act on institutional*
26 *requests to appeal staff decisions regarding rules and institutional*
27 *licensure.*

28 66915. (a) *Within 60 days of the operative date of the act that*
29 *adds this chapter, the Governor in consultation with legislative*
30 *leadership, shall appoint a three-person task force to accomplish*
31 *all of the following:*

32 (1) *Oversee the consolidation of the three agencies.*

33 (2) *Recommend follow-up legislation to implement the*
34 *objectives of the consolidation.*

35 (3) *Facilitate a smooth transition in the consolidation of staff*
36 *and agency responsibilities.*

37 (b) *The three members of the transition task force shall not be*
38 *current employees of any of these three agencies, and shall not be*
39 *candidates for employment with the commission after the*
40 *consolidation. The members of the task force will not be on salary.*

1 (c) The chief executive officers from each of the three agencies
2 shall work with the transition task force in the preparation and
3 implementation of transition plans. Staff from each of the three
4 agencies shall also assist the transition task force, as requested.

5 (d) It is the intent of the Legislature that the current
6 administrative relationship between the California Student Aid
7 Commission and EdFund, the auxiliary organization, shall be
8 continued beyond July 1, 2005.

9 (e) During 2004 and 2005, the transition task force shall
10 present their conclusions and recommendations to the appropriate
11 policy and fiscal committees, to the Governor and to the affected
12 agencies.

13 SEC. 3. Section 69510.5 is added to the Education Code, to
14 read:

15 69510.5. Notwithstanding any other provision of law, on July
16 1, 2005, the California Postsecondary Education Policy and
17 Finance Commission established by Chapter 11.1 (commencing
18 with Section 66910) of Part 40 shall succeed to all of the powers,
19 duties, functions, and obligations of the Student Aid Commission.

20 SEC. 4. Section 94770.5 is added to the Education Code, to
21 read:

22 94770.5. Notwithstanding any other provision of law, on
23 January 1, 2006, the California Postsecondary Education Policy
24 and Finance Commission established by Chapter 11.1
25 (commencing with Section 66910) of Part 40 shall succeed to all
26 of the powers, duties, functions, and obligations of the Bureau for
27 Private Postsecondary and Vocational Education.

28 ~~(b) Establish a strong capacity for independent and objective~~
29 ~~higher education policy planning and analysis.~~

30 ~~(c) Fully integrate the resources of the private postsecondary~~
31 ~~sector, in combination with the public and independent sectors, in~~
32 ~~accommodating enrollment growth and finance policies.~~

33 ~~(d) Fully integrate student fee policy and financial aid policy~~
34 ~~with institutional funding and finance policies.~~

35 ~~(e) Establish and maintain a comprehensive higher education~~
36 ~~information system, integrating all sectors of postsecondary~~
37 ~~education including financial aid, and providing accurate current~~
38 ~~and historical data about higher education.~~

39 ~~(f) Take into account the views and perspectives of all~~
40 ~~stakeholders, including, but not necessarily limited to, the~~

- 1 ~~segments of public postsecondary education and all affected state~~
- 2 ~~agencies.~~

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